

**Illinois Commerce Commission**  
**Pipeline Safety**  
**Field Trip Report**

<b>Operator: PEOPLES GAS LIGHT AND COKE CO.</b>	<b>Operator ID#: 15329</b>
<b>Exit Meeting Contact: Tom Webb</b>	<b>Total Man Days: 28</b>
<b>Pipeline Safety Representative(s): Steve Canestrini, Aaron McElravy, Matt Smith</b>	
<b>Company Representative to Receive Report: Tom Webb</b>	<b>Emailed Date:</b>
<b>Company Representative's Email Address: TJWebb@peoplesgasdelivery.com</b>	<b>02/24/2014</b>

**Inspection Summary**

<b>Inspection Type</b>	<b>Location</b>	<b>ICC Analyst</b>	<b>Inspection Unit(s)</b>	<b>Man Day(s)</b>	<b>Inspection Date(s)</b>	<b>Contact(s)</b>
Standard Inspection - Record Audit	Chicago	Steve Canestrini, Aaron McElravy, Matt Smith	Division Transmission, Division, Technical Training & Standards Transmission, Technical Training & Standards	28	1/13/2014, 1/14/2014, 1/15/2014, 1/16/2014, 1/21/2014, 1/22/2014, 1/23/2014, 1/24/2014, 1/28/2014, 1/29/2014, 1/31/2014	Al Weber, Amy Kenny, Bill Good, Brad Roulo, Eddie Morrow, Eric Frank, Ernie Crafton, Glannie Chan, Jim McNelis, Joe Tassone, John Just, Julie Maupin, Julisa Vasquez, Lance Rainge, Mark Kinzle, Mark Lempicki, Maryann Sultana, Paul Stigal, Ray Deatherage, Ted Lenart, Tom Carlson, Tom Webb, Vipul Kapoor

**Statement of Activities**

On the above dates, Staff performed a Pipeline Safety Records Audit of Peoples Gas Light & Coke Company, (PGL), at the Division Street and Technical Training locations to determine compliance with applicable IL Adm. Codes and the Code of Federal Regulations adopted via IL Adm. Part 590. Staff reviewed a sample of records for the following areas; Leak Survey and Patrol, Valve Inspection, Pressure Testing, Cathodic Protection, Damage Prevention, Vault Inspection, Odorant Records, Operator Qualification and Training, Compliance Monitoring, Welding, and Joining records.

Note: Total of 28 man days for this audit include: Matt Smith - January 13, 14, 15, 16, 21, 22, 23, and 24 (8 days); Aaron McElravy - January 13, 14, 15, 16, 21, 22, 23, 24, and 28 (9 days); and Steve Canestrini - January 13, 14, 15, 16, 21, 22, 23, 24, 28, 29, and 31 (11 days).

In addition, PGL provided presentations and updates on the topics listed below:

Act SB 2266:

This presentation reviewed the metrics associated with this bill. PGL has been working with other utilities in the state to design a

**Illinois Commerce Commission**  
**Pipeline Safety**  
**Field Trip Report**

common set of definitions pertaining to each metric.

**Large & Small Fittings:**

A progress update for identifying and replacing PE fittings that were previously identified. They anticipate the program will be completed in 2014.

**Cross-Bore:**

A presentation was given pertaining to the identification and resolution of potential cross bore locations. They discussed the process used to aid in identifying possible locations. PGL has also provided notification to contractors and homeowners pertaining to this possible condition. PGL has created a direct phone number into their Scheduling area if a contractor or customer calls about a possible cross bore. The company has added staff to help review the possible locations, along with providing camera inspections for these locations.

**Damage Prevention:**

The company reviewed the 5 year history of locate requests and damages. Over this period, the number of locate requests have been increasing. However, in 2013, the number of damages to facilities decreased. PGL explained how they are coordinating with the City of Chicago, and other utilities in their service area of anticipated large projects that will be starting in 2014. Thru this process, they are anticipating the city replacing 100 miles of water, 20 miles of sewer, and 440 blocks of electric. PGL has increased staffing, along with increased auditing and Quality Assurance. They have also assigned a locator to each AMRP project to help expedite any internal issues.

**Corrosion Control:**

Peoples Gas discovered three new pipeline segments that are attributed to the Bridge and Tunnel inspection list. Staff is concerned there are additional locations that have not been discovered as of this time. Staff requested Peoples Gas to develop a plan to determine if there are additional potential locations that meet the requirement of a Bridge and Tunnel inspection. Once the plan has been developed then Peoples Gas must discuss the plan with Staff. Furthermore, Peoples Gas must update Staff with the progress of the program until completion.

**Regulator & Vault Inspections:**

An Issue was identified within the Vault Department concerning the process of managing follow-up repairs after the yearly inspections. After a discussion with the company, it was determined there was a gap identified after converting to an electronic system. This may also include an issue with Change Management to identify responsibilities. Peoples Gas has committed to perform an audit of the inspection work performed in 2013 to ensure all follow-up repairs have been identified, and appropriate action has occurred. Peoples Gas will notify Staff by March 31, 2014, where a follow-up meeting will be scheduled to review the results.

**Compliance Monitoring Group, (CMG):**

This presentation covered an overview of the department. The area is in transition from using contract employees to PGL employees. In 2013, the group increased the number of audits performed, along with an increase in deficiencies found. Currently, their deficiencies are broken down into two areas; Critical and Normal. In 2014, their intention is to create three categories. This will be used to better report on issues where an employee is missing their ID, versus a procedure that relates closer to the pipe. The group has created 27 various reports which are shared with the Operating and Training areas.

**INSPECTION FINDINGS**

**Standard Inspection - Record Audit**

**Issues(s) Found:**

[192.285(d)] - While reviewing the qualification records for joining and welding as part of the Records Audit, Staff identified individuals who appeared to not requalify within the required timeframes, mainly affecting the contractors. Peoples Gas had

**Illinois Commerce Commission**  
**Pipeline Safety**  
**Field Trip Report**

to contact each contractor to verify whether the employee was working in that capacity during this time in question.

Staff has identified potential gaps in the process of Peoples Gas uses to ensure all persons performing welding or joining are qualified. Staff recommends Peoples Gas determine an enhanced method for tracking Peoples and Contractor employees.

[192.703(a)][192.739(a)(1)] - Staff identified two locations where the field employee had notes on the paper completion document to complete follow-up work after the regulator inspection. After Peoples Gas reviewed these two instances, they identified a gap since converting to an electronic system in 2013, where personnel were not looking for these orders.

It is Staff's expectation that Peoples Gas will perform a full audit of this department to ensure all follow-up repairs have been identified and promptly rectified. It will also be the expectation that Peoples Gas perform a review to identify other potential gaps within this department since converting to the electronic system. Peoples Gas will also need to provide documentation to ensure these tasks are the responsibility of an individual(s), to ensure accountability of these tasks.

By March 31, 2014, Peoples Gas has committed to complete this audit and notify Staff. Once Staff receives this notification, a Follow-up meeting will be scheduled with Peoples Gas to discuss the results.

**Notice Of Amendment(s) Found:**

[192.605(b)(3)] - People Gas self-reported 90 items where a delay in the As-Built process caused various leak surveys to be completed beyond the compliance date. As an example, facility# 3000014118, 1355 E 93rd St. This was a quarterly HP leak survey. Due to the delay in processing, 7 leak survey instances for this location were not completed as required by code. Peoples Gas does not have a procedure to ensure the As-Built's are being updated in a timely manner to their system(s).

Peoples Gas needs to develop a procedure to ensure system maps and records are updated in a timely manner, and available to operating personnel.

**Notice Of Violation(s) Found:**

[NO NOPVS FOUND]

**PAST INSPECTION FINDINGS**

**Issue(s) Corrected:**

2010-S001-00091 - Peoples Gas has created a schedule for corrective action on shorted casings. Anticipated completion in 2014. Peoples Gas is now tracking remedial action for tunnel inspections.

Bridge and Tunnel inspections are checked quarterly with leak survey. Corrosion performs the 3 year atmospheric corrosion check, which can be more in depth than the quarterly inspection, as the use of ladders and man-lifts, etc. are used where necessary.

2010-S001-00092 - Cathodic protection reads at test station 1002217054-02 were found inadequate. Anodes were installed on the test station. Reads taken on 4/3/13, are now -1.35 and -1.29.

A leak was identified at 1631 Troop, on the exposed riser. The piping has been replaced, and the leak no longer exists. Atmospheric Corrosion was identified on the riser at 2017 Peoria. The riser has been reinsulated to correct the issue.

2011-S001-00005 - Staff identified a number of corrosion families where prompt remedial action had not been taken. With the exception of family 1001230070, which is pending citation, People Gas provided documentation and current cathodic reads which indicate remedial action has been taken to restore cathodic protection to the corrosion families.

2011-S001-00053 - It was identified where a crimp sleeve for the weak leak was frayed, and could be replaced. Peoples Gas has now made it the responsibility of the inspector, along with the crew foreman to assist in identifying any equipment needs, and ensure it is addressed.

**Illinois Commerce Commission**  
**Pipeline Safety**  
**Field Trip Report**

2011-S001-00074 - It was noted while the locate marks were correct, they needed to be refreshed, along with markings on the curb and 10 feet away. Peoples Gas has initiated regular meetings with the locating contractor. At these meetings, they review any issues to ensure they are addressed.

2011-S001-00096 - Disbonded coating was previously identified at the soil to air interface for valves #112 & 212. Peoples Gas submitted pictures of each valve. Coating has been replaced, and properly protected against corrosion.

2011-S001-00116 - Locating issues were previously identified in the Edison Park and Wildwood areas. Peoples Gas has initiated regular meetings with the locating contractor. At these meetings, they review any issues to ensure they are addressed.

2012-S001-00058 - Staff had recommended that the contractor use a form for outside meter installation for the AMRP project to aid in identifying any stragglers. Peoples Gas has created a new form and is in use by the contractor, and is specified in the contract documentation.

2012-S001-00060 - Staff had recommended the use of a daily recap sheet to be used by the contractor as part of the AMRP project. A new form has been designed and is in use, which is specified in the contract documentation.

2012-S001-00061 - Staff had recommended the use of the service pipe work ticket by the contractor as part of the AMRP project. This has since been converted to a smart electronic form, which is completed by the operations specialist on the job site.

2012-S001-00062 - Locating marks were found to be incomplete and inaccurate at various locations. Since then, Peoples Gas has initiated regular meetings with the locating contractor. At these meetings, they review any issues to ensure they are addressed.

2012-S001-00063 - Incomplete locate marks were previously identified along 63rd Pl. Since this time, Peoples Gas has initiated regular meetings with the locating contractor. At these meetings, they review any issues to ensure they are addressed.

2012-S001-00064 - Incomplete locate marks were previously identified along 63rd Pl. Since this time, Peoples Gas has initiated regular meetings with the locating contractor. At these meetings, they review any issues to ensure they are addressed.

**Notice Of Amendment(s) Corrected:**

NO NOAs CORRECTED.

**Notice of Violations(s) Corrected:**

NO NOPVs CORRECTED.